

TEACHERS' RETIREMENT BOARD
BENEFITS AND SERVICES COMMITTEE

SUBJECT: Level of Service Standards ITEM NUMBER: 6
ATTACHMENT(S): _____
ACTION: _____ DATE OF MEETING: May 7, 1998
INFORMATION: X PRESENTER: Mr. Carter

EXECUTIVE SUMMARY

Background

The Level of Service report provides the Benefits and Services Committee with the necessary information to fulfill its oversight responsibility regarding the administration of the delivery of benefits and services to STRS members. Accordingly, this report covers the degree to which statutory work standards are being met, other statutory requirements (i.e., interest payments) and a report by program which contains production objectives, measures and "major initiative" updates. Program specifics are available in the individual reports. Following are the highlights of activity for the month of March 1998.

Highlights

1. Fiscal Year Allowance Roll

STRS paid a total of 154,336 benefit recipients 239,777,892 in March 1998. The average monthly Allowance roll for FY 1997/98 is \$238,033,783. Total disbursements for FY 1997/98 to date are \$2,142,304,051.

2. Benefit Processing

A. Application Volume: The overall volume of incoming applications and notifications received during this fiscal year are relatively the same as this time last fiscal year.

- B. Initial Payment Processing (Goal - 100 percent): Service Retirement met their goal of processing 100 percent of their initial payments within 30 days. Disability met their goal of processing 100 percent of their initial payments within 10 days. Both programs achieved their "Initial Processing" goals for March 1998.
- C. Final Roll Processing: Service Retirements completed 100 percent of all final payments within 45 days of receipt of all necessary information, achieving their newly established 100 percent goal. Disability also achieved their goal of processing 100 percent of all finalizations within 45 days.
- D. Application Processing: Survivor Benefits processed 99 percent of all applications within 45 days of receipt of all necessary information, surpassing the program's established 95 percent goal. Disability Services processed 91 percent of all eligible applications within 180 days of receipt of the application.

3. Services

During the month of March, all three service objectives were met. The newly established PSO service objective to handle 95 percent of all calls within three minutes was met for the first time in March. Staff answered 91 percent of correspondence within ten days surpassing the newly established 90 percent goal. The service goal to answer 95 percent of all technician assisted calls on first contact was surpassed by three percent, reaching 98 percent. Queue time has been dropped to an average of only 32 seconds.

4. Interest Payments

The total interest payment volume for March 1998 decreased 44 per cent as compared to March of the previous FY. The dollar amount of interest issued to payees decreased 54 percent.

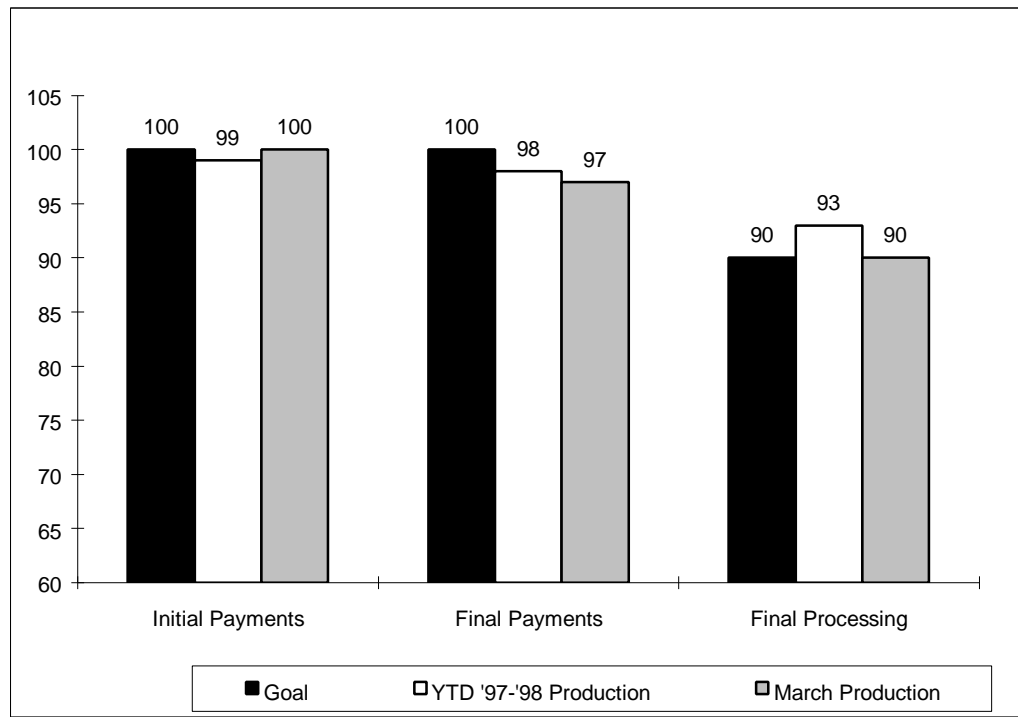
5. Outstanding Survivor Benefit Cases

The Education Code requires a report to the Board on outstanding survivor benefit cases not paid within six months of the notification of death. As of March 1998, there were 89 cases exceeding this threshold. In February 1998, there were 94 cases beyond the six-month processing period, while in January 1998, there were 106 cases exceeding the six-month threshold.

SERVICE RETIREMENTS

I. 1997-98 Production Objectives

- A. Initial Payments: Process 100 percent of all service retirement application payments within 30 days of the effective date of retirement or receipt of completed application, whichever is later.
- B. Final Payments: Complete 100 percent of all final service retirement payments within 45 days of receipt of all necessary information.
- C. Finalize 90 percent of all service retirement payments within four months of the retirement effective date.



II. Measures

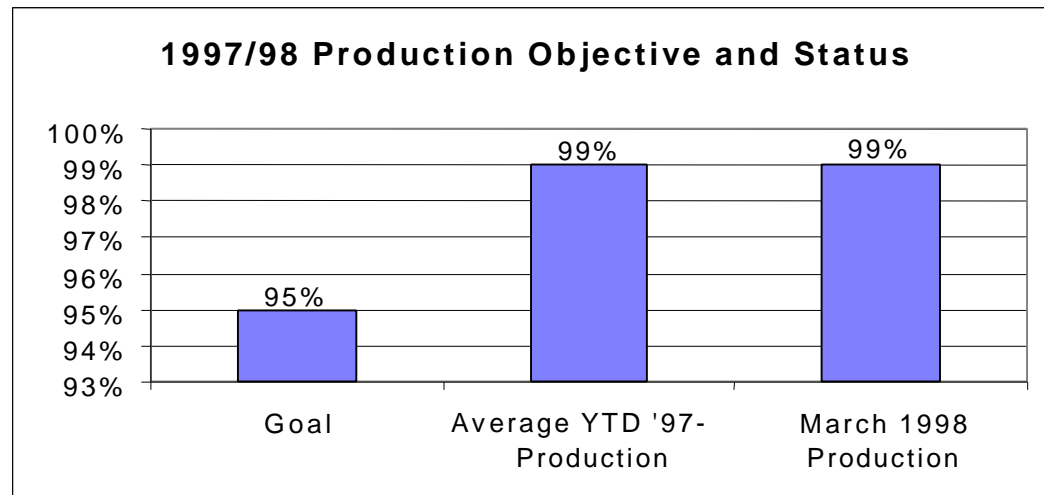
Type	(1) Bench-Mark 90/91	(2) July - March 96/97	(3) July - March 97/98	% of Change $\frac{(3) - (2)}{2}$	March 1998
Retirement Applications	8,167	2,836	3,434	+21%	702
Applications /Months	681	315	382	+21%	-----
Interest Payments (#)	1,070	233	214	-8%	21
Interest Payments (\$\$\$)	\$89,436	\$2,216	\$933	-58%	\$68
Golden Handshake Districts	529	150	166	+11%	8
Golden Handshake Participants	646	149	218 ¹	+43%	42

III. Major Initiatives**Retirement Incentives**

A. One-year Final Compensation: Since 1990, thirty-one school districts, including five Community College Districts, have offered the incentive of one-year final compensation to 282 retired members. During the current fiscal year, one school district has chosen to participate in this program.

SURVIVOR BENEFITS SECTION

- I. 1997-98 Production Objective:** Process 95 percent of all applications within 45 days of receipt of all necessary information.



II. Measures

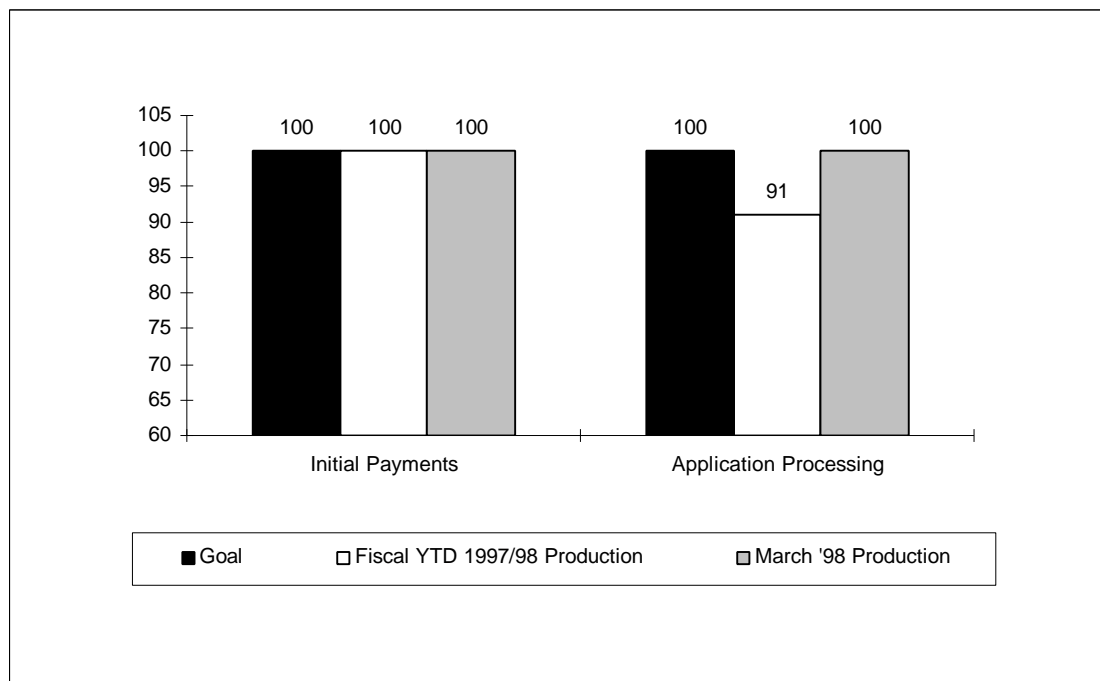
Type	(1) Bench- Mark 90/91	(2) July - March 96/97	(3) July - March 97/98	% of Change $\frac{(3)-(2)}{(2)}$	March 1998
Death Notifications	3,948	4,045	3,591	-11%	415
Cases Completed	3,627	4,497	3,865	-14%	499
Average Cases Completed Per Month	302	500	427	-15%	427
Interest Payments (#)	2,360	383	134	-65%	11
Interest Payments (\$)	\$78,252	\$28,560	\$13,028	-54%	\$1,569

DISABILITY SERVICES

I. 1997-98 Production Objectives

A. Initial Payments: Process 100 percent of all initial payments within ten working days of receipt of all necessary information.

B. Application Processing: Process 100 percent of all disability applications within six months from receipt of applications, while maintaining an average processing time of three months per case.



II. Measures

Type	(1) Bench- mark 90/91	(2) July- March 96/97	(3) July- March 97/98	% of Change $\frac{(3)-(2)}{(2)}$	March 1998
Disability Applications	500	429	394	-8%	61
Disability Apps/Months	41.6	54	49	-9%	N/A
Continuing Qualifications ¹ Roll Removals	24	45	30	-33%	5
Rehabilitation ² Roll Removals	16	19	22	16%	3
Rehabilitation Participants	119	134	N/A	N/A	125
Independent Medical Exam(#)	632	306	278	-9%	18
Independent Medical Exam(\$)	\$443,020	\$162,515	\$154,661	+5%	\$8,338
Independent Vocational Exam(# Active)	N/A	1083	898	-17%	130
Independent Vocational Exam(\$)	\$405,596	\$423,061	\$358,969	-15%	\$36,646
Interest Payments (#)	6	0	5	0%	0
Interest Payments(\$)	\$1,405	0	\$96.13	0%	0

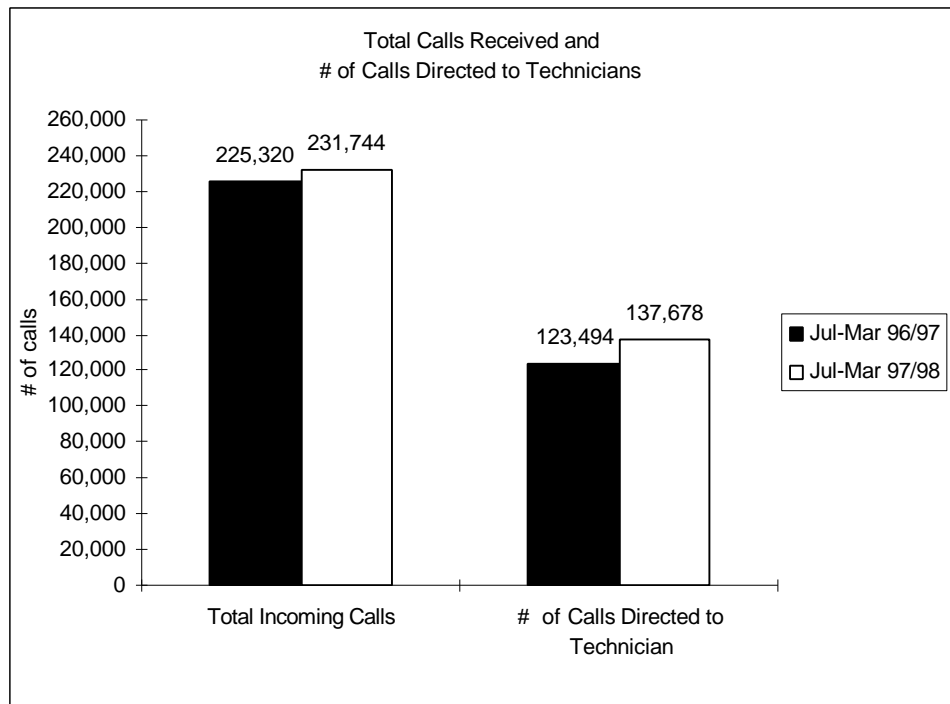
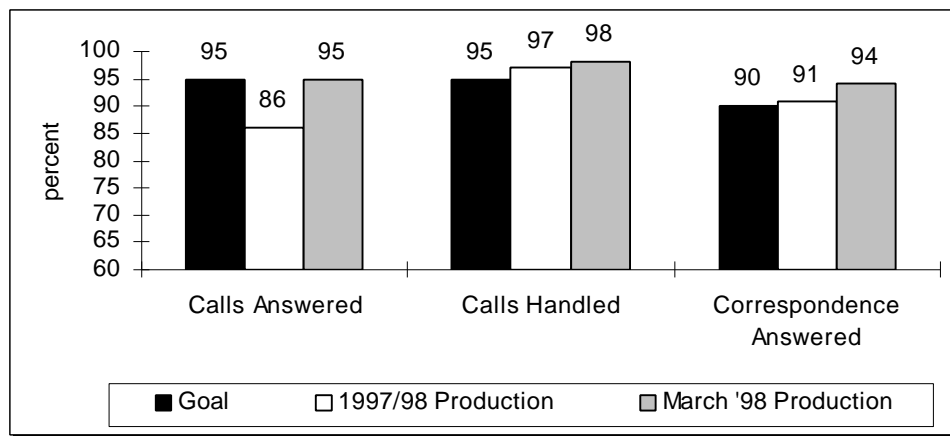
¹ The CQ Program monitors the members earnings, OPS and medical condition for continued eligibility to receive benefits.

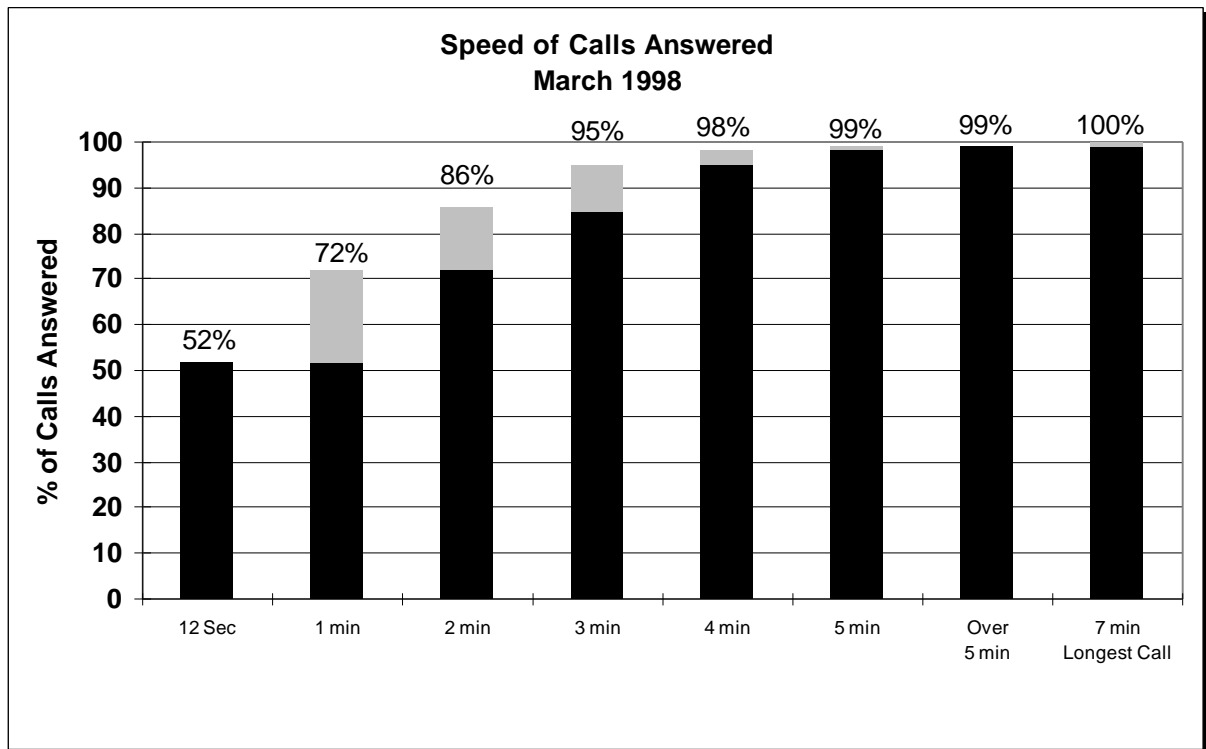
² The Rehabilitation Program provides members a variety of services to assess current capabilities and limitations with the goal of obtaining comparable level employment.

PUBLIC SERVICE

I. 1997-98 Production Objectives

- A. Answer 95 percent of all calls in less than three minutes.
- B. Handle 95 percent of all calls on the first contact.
- C. Respond to 90 percent of all correspondence in ten working days.





II. Measures

Type	(1) Bench- mark 90/91	(2) Jul-Mar 96/97	(3) Jul-Mar 97/98	% of Change $\frac{(3)-(2)}{(2)}$	March 1998
Total Incoming Calls	195,858	225,320	231,744	2.85%	29,185
Technician Calls	117,913	123,494	137,678	11.5%	17,967
Automated Attendant Calls	31,895	68,425	62,426	-8.77%	8,558
Teletalk Calls	46,050	33,401	31,640	-5.27%	2,660

III. Major Initiatives

Total calls coming into the Public Service Office were up almost three percent compared to last fiscal year. This difference can be attributed to the increase in calls handled by the PSO technicians. Calls handled by the PSO technicians were up by 11 percent over the same time period.